

CITY OF BENTLEY FINANCIAL REPORTING ENTITY, KANSAS

**FINANCIAL STATEMENT
DECEMBER 31, 2017**

BFR

BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

**CITY OF BENTLEY FINANCIAL REPORTING ENTITY
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DECEMBER 31, 2017**

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BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Mayor and City Council City of Bentley, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of the **City of Bentley Financial Reporting Entity, Kansas**, as of and for the year ended **December 31, 2017**, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Mayor and City Council
City of Bentley, Kansas**

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

As described in Note 1 of the financial statement, the financial statement is prepared by the **City of Bentley Financial Reporting Entity, Kansas**, to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the **City of Bentley Financial Reporting Entity, Kansas**, as of **December 31, 2017**, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the **City of Bentley Financial Reporting Entity, Kansas**, as of **December 31, 2017**, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget and individual fund schedules of regulatory basis receipts and expenditures-actual (Regulatory-Required Supplementary Information as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statement as a whole, on the basis of accounting described in Note 1.

**Mayor and City Council
City of Bentley, Kansas**

The 2016 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and schedule of cash receipts and expenditures-capital projects (as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2016 basic financial statement upon which we rendered an unmodified opinion dated May 9, 2017. The 2016 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link: <http://da.ks.gov/ar/muniserv/>. Such 2016 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2016 basic financial statement. The 2016 comparative information was subjected to the auditing procedures applied in the audit of the 2016 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2016 basic financial statement or to the 2016 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2016 comparative information is fairly stated in all material respects in relation to the 2016 basic financial statement as a whole, on the basis of accounting described in Note 1.

Busby Ford & Reimer, LLC

Busby Ford & Reimer, LLC
April 3, 2018

**CITY OF BENTLEY FINANCIAL REPORTING ENTITY
SUMMARY OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental							
General	\$ 46,330	\$ 0	\$ 309,151	\$ 298,774	\$ 56,707	\$ 4,602	\$ 61,309
Special Purpose Funds							
Streets and Highway	24,411	0	20,060	19,146	25,325	22	25,347
Capital Improvement Reserve	6,727	0	0	0	6,727	0	6,727
Equipment Reserve	8,189	0	0	0	8,189	0	8,189
Parks & Recreation	6,516	0	4,023	4,142	6,397	0	6,397
Government Grant	100,341	0	28,768	20,000	109,109	0	109,109
Memorial	1,111	0	0	0	1,111	0	1,111
Bond and Interest	2,264	0	95,411	96,869	806	0	806
Business							
Water Utility	77,216	0	102,071	101,760	77,527	2,353	79,880
Sewer Utility	68,959	0	65,903	70,380	64,482	0	64,482
Solid Waste Utility	23,252	0	40,657	40,531	23,378	0	23,378
	<u>\$ 365,316</u>	<u>\$ 0</u>	<u>\$ 666,044</u>	<u>\$ 651,602</u>	<u>\$ 379,758</u>	<u>\$ 6,977</u>	<u>\$ 386,735</u>
Related Municipal Entity							
Land Bank	<u>\$ 1,964</u>	<u>\$ 0</u>	<u>\$ 22,300</u>	<u>\$ 9,588</u>	<u>\$ 14,676</u>	<u>\$ 0</u>	<u>\$ 14,676</u>
Composition of Cash:				Checking		\$ 385,624	
				Savings		1,111	
						<u>\$ 386,735</u>	
				Related Municipal Entity-Checking		<u>\$ 14,676</u>	

The notes to the financial statement are an integral part of this statement.

**CITY OF BENTLEY FINANCIAL REPORTING ENTITY
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2017**

Note 1 - Summary of Significant Accounting Policies:

Financial Reporting Entity

The City of Bentley is a municipal corporation governed by an elected Mayor and City Council. The regulatory financial statement presents the City of Bentley and its related municipal entity. The related municipal entity is included in the City's reporting entity because it was established to benefit the City and/or its constituents.

Land Bank- The Land Bank was established under K.S.A. 12-5901 for the purpose of acquiring land within the City of Bentley. The Land Bank is governed by a Board of Trustees with is comprised of the members of the City Council and Mayor.

The Land Bank is presented as a discreet related municipal entity. A separate audited financial statement is not prepared by the related municipal entity.

Basis of Presentation – Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The City has created several types of funds and a number of discrete funds within each fund type. Each fund is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, receipts and expenditures. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations or other restrictions.

KMAAG Regulatory Basis of Presentation Fund Definitions:

Governmental Funds

General Fund-the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Funds-used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond & Interest Fund-used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Business Fund-funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund, etc.)

**CITY OF BENTLEY FINANCIAL REPORTING ENTITY
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2017**

Regulatory Basis of Accounting and Departure from Accounting Principles Generally accepted in the United State of America

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of accounting principles generally accepted in the United States of America and allowing the municipality to use the regulatory basis of accounting.

Budget and Tax Cycle

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There was one amendment for the year ended December 31, 2017.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenue are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budget expenditure authority lapses at year-end.

**CITY OF BENTLEY FINANCIAL REPORTING ENTITY
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2017**

A legal operating budget is not required for capital projects funds, trust funds and the following special purpose funds:

Capital Improvement Reserve Fund
Parks & Recreation Fund
Memorial Fund

Equipment Reserve Fund
Government Grant Fund

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

Special Assessments

Projects financed in part by special assessments are financed through the issuance of general obligation bonds which are secured in full by the City and are retired from the City's bond and interest fund. Further, state statutes permit the levying of additional general ad valorem property taxes in the City's bond and interest fund to finance delinquent special assessments. Special assessment taxes are levied over a ten- or fifteen-year period and the annual installments are due and payable with annual ad valorem property taxes. The City may foreclose liens against property benefited by special assessments when delinquent assessments are two years in arrears.

Note 2 - Contingencies:

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not materially exceeded commercial insurance coverage in any of the past three years.

Grant Programs

The City participates in various federal and state grant programs. These grant programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

Note 3 - Reimbursed Expenses:

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statement meet the following criteria: 1) the related disbursement was made in the current year on behalf of the payee, 2) the item paid for was directly identifiable as having been used by or provided to the payee, and 3) the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

**CITY OF BENTLEY FINANCIAL REPORTING ENTITY
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2017**

Note 4 - Deposits:

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at December 31, 2017.

At December 31, 2017, the City's carrying amount of deposits, including the related municipal entity was \$401,411 and the bank balance was \$404,504. The bank balance is held by one bank resulting in a concentration of credit risk. Of the bank balance, \$271,074 was covered by federal depository insurance, and the remaining \$133,430 was collateralized with securities held by the pledging financial institution's agent in the City's name.

Note 5 - Postemployment Benefits:

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in the financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

The City did not provide any significant postemployment benefits for former employees at December 31, 2017.

**CITY OF BENTLEY FINANCIAL REPORTING ENTITY
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2017**

Note 6 - Defined Benefit Pension Plan:

The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions

K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provided that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate with a 0% moratorium from the period of January 1, 2017 through September 30, 2017 for the Death and Disability Program) and the statutory contribution rate was 8.46% for the fiscal year ended December 31, 2017. Contributions to the pension plan from the City were \$22,694 for the year ended December 31, 2017.

Net Pension Liability

At December 31, 2017, the City's proportionate share of the collective net pension liability reported by KPERS was \$81,664. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

**CITY OF BENTLEY FINANCIAL REPORTING ENTITY
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2017**

Note 7 - Government Grant Fund:

The City maintains the Government Grant Fund for the purpose of making loans to local business as a way to enhance economic developments. In addition, the City uses the Fund to finance certain capital improvements within the City.

Outstanding loan balances as of December 31, 2017, consist of the following:

On March 6, 2009, the City provided a \$40,000 mortgage loan for the purpose of providing financing for a local business. Terms of the loan provide payments of \$320.32 per month including interest at 5.0% with final maturity in November 2024.

On August 11, 2016, the City approved a \$39,773 advance to the General Fund. Terms of the agreement provide repayment of the advance on August 11, 2017, including interest at 3.5%.

On December 15, 2016, the City approved an \$18,615.75 advance to pay off a lease purchase agreement. Terms of the agreement provide for five annual payments of \$4,029.14 including interest at 3.5% with final maturity on December 15, 2021.

On July 13, 2017, the City approved a \$20,000 advance to the Land Bank. Terms of the agreement provide for five annual payments of \$4,379.21 including interest at 3.0% with final maturity on August 1, 2022.

Repayments received for the year ended December 31, 2017, were:

Interfund Repayment	\$ 24,029
Mortgage Loan	<u>3,844</u>
	<u>\$ 27,873</u>

Outstanding balances and maturities on the Government Grant loans as of December 31, 2017, were:

	Mortgage Loan	Interfund Loan	Land Bank Loan	Total Principal
2018	\$ 2,785	\$ 25,208	\$ 3,739	\$ 31,732
2019	2,927	3,631	3,885	10,443
2020	3,077	3,758	4,002	10,837
2021	3,235	3,976	4,124	11,335
2022	3,400	0	4,250	7,650
2023-2024	<u>7,021</u>	<u>0</u>	<u>0</u>	<u>7,021</u>
	<u>\$ 22,445</u>	<u>\$ 36,573</u>	<u>\$ 20,000</u>	<u>\$ 79,018</u>

**CITY OF BENTLEY FINANCIAL REPORTING ENTITY
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2017**

Note 8 - Compensated Absences:

All permanent full-time employees are eligible for vacation and/or sick leave benefits in varying annual amounts depending on position and length of service.

It is the policy of the City to record vacation and sick leave benefits as expenditures when paid.

Note 9 - Interfund Transactions:

Operating transfers were as follows:

	<u>Statutory Authority</u>	<u>Bond and Interest</u>
Transfer from:		
Water Utility	K.S.A. 12-825d	\$ 17,830
Sewer Utility	K.S.A. 12-825d	17,830
		<u>\$ 35,660</u>

Note 10 - Subsequent Events:

The City has evaluated subsequent events through April 3, 2018, the date which the financial statement was available to be issued.

Note 11 - Long-term Debt:

Principal payments are due annually and interest payments are due semi-annually on general obligation bonds. Principal and interest payments on the lease purchase agreement are due annually.

Terms for long-term liabilities for the City for the year ended December 31, 2017, were as follows:

<u>Issue</u>	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>
General Obligation Bonds				
2012 Series	0.6 - 3.4	12/27/12	\$ 1,705,000	9/1/32
Lease Purchase Agreements				
Vehicle	3.00	2/26/16	\$ 18,000	12/1/20

CITY OF BENTLEY FINANCIAL REPORTING ENTITY
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2017

Changes in long-term liabilities for the City for the year ended December 31, 2017, were as follows:

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds					
2012 Series	\$ 1,560,000	\$ 0	\$ 85,000	\$ 1,475,000	\$ 42,360
	<u>1,560,000</u>	<u>0</u>	<u>85,000</u>	<u>1,475,000</u>	<u>42,360</u>
Lease Purchase Agreements					
Vehicle	8,606	0	3,700	4,906	263
	<u>8,606</u>	<u>0</u>	<u>3,700</u>	<u>4,906</u>	<u>263</u>
	<u>\$ 1,568,606</u>	<u>\$ 0</u>	<u>\$ 88,700</u>	<u>\$ 1,479,906</u>	<u>\$ 42,623</u>

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	General Obligation Bonds			Lease Purchases			Totals		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
2018	\$ 90,000	\$ 41,090	\$ 131,090	\$ 3,814	\$ 149	\$ 3,963	\$ 93,814	\$ 41,239	\$ 135,053
2019	90,000	39,605	129,605	1,092	75	1,167	91,092	39,680	130,772
2020	90,000	37,940	127,940	0	0	0	90,000	37,940	127,940
2021	90,000	36,095	126,095	0	0	0	90,000	36,095	126,095
2022	100,000	34,010	134,010	0	0	0	100,000	34,010	134,010
2023 - 2027	460,000	134,950	594,950	0	0	0	460,000	134,950	594,950
2028 - 2032	555,000	58,990	613,990	0	0	0	555,000	58,990	613,990
	<u>\$ 1,475,000</u>	<u>\$ 382,680</u>	<u>\$ 1,857,680</u>	<u>\$ 4,906</u>	<u>\$ 224</u>	<u>\$ 5,130</u>	<u>\$ 1,479,906</u>	<u>\$ 382,904</u>	<u>\$ 1,862,810</u>

**REGULATORY REQUIRED
SUPPLEMENTARY INFORMATION**

**CITY OF BENTLEY FINANCIAL REPORTING ENTITY
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

<u>Fund</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance - Over (Under)</u>
Governmental					
General	\$ 305,215	\$ 0	\$ 305,215	\$ 298,774	\$ (6,441)
Special Purpose Funds					
Streets and Highway	19,600	0	19,600	19,146	(454)
Capital Improvement Reserve	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0	XXXXXXXXXX
Equipment Reserve	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0	XXXXXXXXXX
Parks & Recreation	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	4,142	XXXXXXXXXX
Government Grant	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	20,000	XXXXXXXXXX
Memorial	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0	XXXXXXXXXX
Bond and Interest	97,545	0	97,545	96,869	(676)
Business					
Water Utility	116,940	0	116,940	101,760	(15,180)
Sewer Utility	70,380	0	70,380	70,380	0
Solid Waste Utility	46,000	0	46,000	40,531	(5,469)
	<u>\$ 655,680</u>	<u>\$ 0</u>	<u>\$ 655,680</u>	<u>\$ 651,602</u>	<u>\$ (28,220)</u>
Related Municipal Entity					
Land Bank	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	\$ 9,588	XXXXXXXXXX

**CITY OF BENTLEY FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)**

<u>General Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Ad valorem tax	\$ 107,851	\$ 118,968	\$ 134,650	\$ (15,682)
Delinquent tax	2,409	2,795	0	2,795
Motor vehicle tax	24,697	23,438	13,689	9,749
Recreational vehicle tax	395	484	490	(6)
State assessed tax	6,840	7,659	131	7,528
Sales tax	75,186	75,347	75,000	347
Permits and fees	944	13,278	2,000	11,278
Franchise fees	15,364	17,152	15,000	2,152
Municipal court	17,508	16,509	16,000	509
Local alcoholic liquor tax	2,094	1,818	2,002	(184)
Government grant loan advance	39,773	0	0	0
Interest	867	2,937	0	2,937
Miscellaneous	21,484	28,766	0	28,766
Transfers	30,000	0	0	0
	<u>345,412</u>	<u>309,151</u>	<u>\$ 258,962</u>	<u>\$ 50,189</u>
Expenditures				
Salaries and wages	57,928	63,651	\$ 56,500	\$ 7,151
Law enforcement	41,191	37,851	40,800	(2,949)
Municipal court	4,004	3,758	4,000	(242)
Office supplies and expenses	27,760	21,344	13,000	8,344
Insurance and employee bonds	24,520	19,547	19,000	547
General maintenance	8,714	3,154	20,000	(16,846)
Utilities	7,093	5,085	10,000	(4,915)
Professional Fees	29,758	19,950	24,200	(4,250)
Memberships and subscriptions	1,513	745	300	445
Materials and supplies	5,260	10,487	8,000	2,487
Volunteer Fire Department	23,385	17,778	21,000	(3,222)
Employee benefits	13,071	12,843	8,500	4,343
Personnel training	1,369	1,196	2,000	(804)
County code remittance	440	6,259	600	5,659
Bond and interest payments	36,379	30,491	30,815	(324)
Miscellaneous	6,449	24,635	9,435	15,200
Distressed Properties	5,080	0	0	0
Government grant fund payment	19,565	20,000	37,065	(17,065)
	<u>313,479</u>	<u>298,774</u>	<u>\$ 305,215</u>	<u>\$ (6,441)</u>
Receipts Over (Under) Expenditures	31,933	10,377		
Unencumbered Cash, Beginning	14,397	46,330		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 46,330</u>	<u>\$ 56,707</u>		

**CITY OF BENTLEY FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)**

<u>Streets and Highway Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
County gas tax	\$ 6,042	\$ 6,198	\$ 6,000	\$ 198
State gas tax	13,890	13,862	13,600	262
	<u>19,932</u>	<u>20,060</u>	<u>\$ 19,600</u>	<u>\$ 460</u>
Expenditures				
Salaries and wages	4,831	3,631	\$ 6,000	\$ (2,369)
Employee benefits	1,113	728	900	(172)
Materials and supplies	1,284	3,348	4,500	(1,152)
Maintenance and repairs	1,355	4,464	800	3,664
Street lighting	5,757	6,735	3,000	3,735
Professional fees	80	240	4,400	(4,160)
	<u>14,420</u>	<u>19,146</u>	<u>\$ 19,600</u>	<u>\$ (454)</u>
Receipts Over (Under) Expenditures	5,512	914		
Unencumbered Cash, Beginning	18,899	24,411		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 24,411</u>	<u>\$ 25,325</u>		

CITY OF BENTLEY FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

Capital Improvement Reserve Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers	\$ 0	\$ 0
	<u>0</u>	<u>0</u>
Expenditures		
Capital improvements	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, Beginning	6,727	6,727
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 6,727</u>	<u>\$ 6,727</u>

CITY OF BENTLEY FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

Equipment Reserve Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers	\$ 0	\$ 0
	<u>0</u>	<u>0</u>
Expenditures		
Capital improvements	1,301	0
	<u>1,301</u>	<u>0</u>
Receipts Over (Under) Expenditures	(1,301)	0
Unencumbered Cash, Beginning	9,490	8,189
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 8,189</u>	<u>\$ 8,189</u>

**CITY OF BENTLEY FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)**

Parks and Recreation

	Prior Year Actual	Current Year Actual
Cash Receipts		
Miscellaneous	\$ 4,596	\$ 4,023
	<u>4,596</u>	<u>4,023</u>
Expenditures		
Capital improvements	<u>4,301</u>	<u>4,142</u>
	<u>4,301</u>	<u>4,142</u>
Receipts Over (Under) Expenditures	295	(119)
Unencumbered Cash, Beginning	6,221	6,516
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 6,516</u>	<u>\$ 6,397</u>

CITY OF BENTLEY FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

Government Grant Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Repayments	\$ 23,409	\$ 27,873
Interest	409	895
	<u>23,818</u>	<u>28,768</u>
Expenditures		
Loan advances	<u>58,389</u>	<u>20,000</u>
	<u>58,389</u>	<u>20,000</u>
Receipts Over (Under) Expenditures	(34,571)	8,768
Unencumbered Cash, Beginning	134,912	100,341
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 100,341</u>	<u>\$ 109,109</u>

CITY OF BENTLEY FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

<u>Memorial Fund</u>	Prior Year Actual	Current Year Actual
Cash Receipts		
Interest	\$ 1	\$ 0
	<u>1</u>	<u>0</u>
Expenditures		
Miscellaneous	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
Receipts Over (Under) Expenditures	1	0
Unencumbered Cash, Beginning	1,110	1,111
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 1,111</u>	<u>\$ 1,111</u>

**CITY OF BENTLEY FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)**

<u>Bond and Interest Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Delinquent tax	\$ 3,783	\$ 84	\$ 0	\$ 84
Special assessments	38,345	59,667	60,000	(333)
Transfers	30,316	35,660	35,660	0
	<u>72,444</u>	<u>95,411</u>	<u>\$ 95,660</u>	<u>\$ (249)</u>
Expenditures				
Principal	43,160	85,000	\$ 54,185	\$ 30,815
Interest	28,731	11,869	43,260	(31,391)
Commission	0	0	100	(100)
	<u>71,891</u>	<u>96,869</u>	<u>\$ 97,545</u>	<u>\$ (676)</u>
Receipts Over (Under) Expenditures	553	(1,458)		
Unencumbered Cash, Beginning	1,711	2,264		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 2,264</u>	<u>\$ 806</u>		

CITY OF BENTLEY FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

<u>Water Utility Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
User fees	\$ 100,623	\$ 101,314	\$ 117,000	\$ (15,686)
Water taps	625	625	0	625
Miscellaneous	1,138	132	0	132
	<u>102,386</u>	<u>102,071</u>	<u>\$ 117,000</u>	<u>\$ (14,929)</u>
Expenditures				
Salaries and wages	19,111	28,967	\$ 40,000	\$ (11,033)
Employee benefits	4,317	14,752	6,000	8,752
Utilities	2,401	2,754	5,000	(2,246)
Repairs	6,046	4,206	6,000	(1,794)
Office Expense	2,375	1,365	400	965
Water purchase	10,969	13,840	18,000	(4,160)
Memberships and subscriptions	194	0	150	(150)
Materials and supplies	4,763	4,451	8,000	(3,549)
Personnel training	170	382	200	182
Insurance	0	5,385	5,000	385
Sales tax	0	683	360	323
Miscellaneous	427	170	1,000	(830)
Professional fees	2,943	6,975	9,000	(2,025)
Transfers	45,158	17,830	17,830	0
	<u>98,874</u>	<u>101,760</u>	<u>\$ 116,940</u>	<u>\$ (15,180)</u>
Receipts Over (Under) Expenditures	3,512	311		
Unencumbered Cash, Beginning	73,704	77,216		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 77,216</u>	<u>\$ 77,527</u>		

**CITY OF BENTLEY FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)**

<u>Sewer Utility Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
User fees	\$ 66,640	\$ 65,903	\$ 70,000	\$ (4,097)
	<u>66,640</u>	<u>65,903</u>	<u>\$ 70,000</u>	<u>\$ (4,097)</u>
Expenditures				
Salaries and wages	17,800	20,978	\$ 24,000	\$ (3,022)
Employee benefits	4,033	4,113	3,600	513
Materials and supplies	5,337	6,882	4,000	2,882
Repairs	12,105	5,628	10,000	(4,372)
Utilities	3,776	4,192	3,500	692
Miscellaneous	0	2,420	0	2,420
Personnel training	0	983	750	233
Professional fees	2,523	6,135	6,600	(465)
Office Expense	945	1,219	100	1,119
Transfers	15,158	17,830	17,830	0
	<u>61,677</u>	<u>70,380</u>	<u>\$ 70,380</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	4,963	(4,477)		
Unencumbered Cash, Beginning	63,996	68,959		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 68,959</u>	<u>\$ 64,482</u>		

**CITY OF BENTLEY FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)**

<u>Solid Waste Utility Fund</u>	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
User fees	\$ 41,986	\$ 40,657	\$ 44,000	\$ (3,343)
	<u>41,986</u>	<u>40,657</u>	<u>\$ 44,000</u>	<u>\$ (3,343)</u>
Expenditures				
Utility costs	39,311	40,531	\$ 46,000	\$ (5,469)
	<u>39,311</u>	<u>40,531</u>	<u>\$ 46,000</u>	<u>\$ (5,469)</u>
Receipts Over (Under) Expenditures	2,675	126		
Unencumbered Cash, Beginning	20,577	23,252		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 23,252</u>	<u>\$ 23,378</u>		

**CITY OF BENTLEY FINANCIAL REPORTING ENTITY
LAND BANK
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)**

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Cash Receipts		
Lot sales	\$ 2,916	\$ 0
Government grant loan advance	0	20,000
Miscellaneous	<u>570</u>	<u>2,300</u>
	<u>3,486</u>	<u>22,300</u>
 Expenditures		
Miscellaneous	<u>1,522</u>	<u>9,588</u>
	<u>1,522</u>	<u>9,588</u>
 Receipts Over (Under) Expenditures	1,964	12,712
 Unencumbered Cash, Beginning	0	1,964
 Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
 Unencumbered Cash, Ending	<u>\$ 1,964</u>	<u>\$ 14,676</u>